

TABLE 1.—CAMPAIGN FINANCE LEGISLATION BEFORE THE 104TH CONGRESS: COMPARISON OF SELECTED PROVISIONS—Continued

Current law	H.R. 3760 (Thomas)	H.R. 2566 (Smith/Meehan/Shays)	H.R. 3505 (Farr)
MISCELLANEOUS			
	Approval for payroll deduction Requires employees who make PAC contributions through payroll deduction to give authorization at least annually, with rights to withdraw approval at any time; employers must inform them of these rights at least annually.	Franking Bans unsolicited mass mailings in election year, until after general election.	
VOLUNTARY SPENDING LIMITS AND PUBLIC BENEFITS IN HOUSE ELECTIONS			
Limits on Campaign Expenditures			
No provision	No provision	\$600,000 limit in 2 year cycle, plus \$120,000 if runoff and \$180,000 if close primary winner; \$60,000 limit on candidate's personal funds; Limit raised (and individual contribution limit doubled) for participant if non-complying opponent exceeds certain limits; Limit raised to offset extent of independent expenditures against participant or for opponent, one in excess of \$25,000 overall.	\$600,000 limit in 2 year cycle, plus \$200,000 if runoff and \$200,000 if close primary winner; \$50,000 limit on candidate's personal funds; Limit raised for participant if non-complying opponent exceeds certain limits; Limit raised to offset extent of independent expenditures, once over \$5,000 total or \$2,500 by one source; limit removed if \$15,000 spent, which parties can match (beyond their contribution limits).
Fundraising Threshold for Eligibility			
No provision	No provision	\$60,000 in individual contributions of \$200 or less, at least 60% in-state, with half of in-state amount from in-district.	\$60,000 in individual contributions of \$200 or less.
Benefits for Participating Candidates			
No provision	No provision	Broadcast rate of 50% of lowest unit rate in last 30 days of primary and last 60 days in general election; 3 mailings per eligible voter at non-profit 3rd class bulk rate.	Broadcast rate of 50% of lowest unit rate in last 30 days of primary and last 60 days in general election; Unlimited mailings at non-profit 3rd class bulk rate.
Penalties for Non-Participating Candidates			
No provision	No provision	No provision	35% tax on receipts of candidates who exceed spending limits; Not eligible for lowest unit rate for broadcast time.

¹ Dollar amounts with asterisks are estimated indexed values.

WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I listened to the debate over the so-called welfare reform legislation today, as well as last night, and I felt very strongly that the Republican leadership bill was not welfare reform, would not accomplish the goal of getting people off of welfare and working into productive jobs, into being productive members of society. I also was very concerned over the fact that it would take away many of the protections for children in this country.

It disturbed me to a great extent to listen to some of the statements that were being made on the Republican side of the aisle on the issue of welfare reform and what we need to do to get people back to work, one of the basic tenets of this Republican leadership bill, and I think that is how it differs a great deal from the Democrat or bipartisan Castle-Tanner substitute, which I supported, is that the Republican leadership bill essentially is money-driven. In other words, its major focus, if you will, is to try to save significant amounts of money that would theoretically help us balance the budget and reduce the Federal deficit.

In its drive to save money, it assumes that by cutting back on programs like food stamps and other types of assistance, that that will ultimately end the welfare system and get people to work and get people productive jobs.

Historically, if you look at successful welfare reforms that have been tried out in many States in this country, and the States really have been good laboratories to experiment with ways to produce welfare reform, in many cases it has actually cost the State more money, and the notion that somehow

welfare reform will at least in the short run result in monetary savings is simply a false premise.

Think about it for a minute. If you are saying that the State is going to get people off welfare, oftentimes that involves job training, which costs money; oftentimes it requires day care, because most welfare recipients, at least those on AFDC, Aid to Families with Dependent Children, are mothers with dependent children.

So it costs money to provide day care. It costs money to provide job training or education. If often costs money to provide for health benefits so that there is health insurance coverage for children.

So where does the notion come that somehow we are going to save money for the deficit, at least in the short run, by providing for welfare reform? I think that is a basic tenet of this Republican bill that is false and is creating the problems that result in less protection and measures in this bill that actually hurt children.

If you look at the Republican bill, the largest share of the welfare bill's food stamp savings would come from across-the-board cuts in food stamp benefit programs. A lot of my Republican colleagues talked about how there were a lot of people on welfare who were fraudulent, or how they wanted to end benefits for people failing to comply with work requirements.

But actually if you look at this bill, only 2 percent of the food stamp savings in the bill, and the food stamps is the largest savings in the bill, only 2 percent of that food stamp savings come from provisions to reduce administrative costs, curbing fraud or ending benefits for people found to comply with work requirements.

Most of the savings is achieved by just slashing the amount of money that goes to food stamp programs. So

even people who legitimately need the food stamps, because they are working in many cases, will actually suffer losses in their benefits under the food stamp program.

The other myth I think that was promulgated by the Republicans was this notion that, well, the welfare system is a failure because the poverty rate has climbed in the last few years under the existing welfare program. I guess the theory is that throwing money at the problem does not work.

Well, the reality is that the reason why more and more people are sinking into poverty in this country is because the safety net is being cut. In other words, the food stamps, the cash assistance, the housing assistance that many of the poor individuals that need this type of assistance receive, in real dollars has actually decreased over the last 5 or 10 years. So the reality is that more and more people are going into poverty because we are not providing sufficient funding for them to eke through an existence, to have a healthy life, to have proper housing, to have enough money to take care of their children.

So I honestly believe that the basic premise, if you will, of this Republican plan, which says that somehow we are going to be able to save money by making the kind of welfare reform that they propose, is a false premise, and one of the biggest problems with their bill.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

[Mrs. CLAYTON address the House. Her remarks will appear hereafter in the Extensions of Remarks.]